

SEALED BY ORDER
OF THE COURT

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CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CV 19 2029

SVK

NNG, Kft., a Hungarian corporation,

Plaintiff,

vs.

Giles D. Shrimpton, an individual

Defendant.

DECLARATION OF PÉTER
SZOMBATHELYI IN SUPPORT OF
PLAINTIFF'S *EX PARTE*
APPLICATION FOR TEMPORARY
RESTRAINING ORDER, FOR AN
ORDER TO SHOW CAUSE
REGARDING PRELIMINARY
INJUNCTION, AND FOR A MOTION
FOR PRELIMINARY INJUNCTION

I, Péter SZOMBATHELYI, being over 57 years of age and mentally competent, state that I can testify to the following matters based upon my personal knowledge, as follows:

1. I am the current interim Chief Executive Officer of Plaintiff NNG, Kft.
2. NNG is a world leader in development of navigation and infotainment software for automotive, wireless, and personal navigation systems. NNG software has been shipped in more than 20 million devices globally. NNG has licensed its software to more than 150 hardware manufacturers worldwide. NNG's software has been licensed



1 to the top automotive manufacturers in the world, including Chrysler, Ferrari, Fiat, Ford,
2 Honda, Kia, Mazda, McLaren, Nissan, Porsche, Subaru, Toyota, Volkswagen, and
3 Volvo. NNG's flagship product is the award-winning "iGo Primo" navigation software.
4 NNG operates a global business with offices in Asia, Israel, Europe and the United
5 States. NNG employs more than 800 individuals.

6 3. NNG's core assets are its confidential and proprietary software,
7 technology and know how, as well as its business relationships with OEMs, automobile
8 makers, and others, which it has developed over its 15 year history.

9 4. NNG has developed a substantial amount of confidential and proprietary
10 information including, without limitation software, technology, know how, pricing
11 strategies, marketing strategies, customers lists and contacts, and the like (collectively,
12 "Confidential Information").

13 5. NNG has used reasonable measures to protect its Confidential
14 Information, including by restricting access to such information to employees on a need
15 to know basis, using physical security to restrict access to its offices, using software to
16 restrict access to NNG's computer systems and data to authorized individuals, and
17 utilizing company-wide policies and employment agreements restricting disclosure and
18 use of such Confidential Information.

19 6. NNG's Confidential Information has independent economic value because
20 it is not generally known to and not readily ascertainable by others through proper
21 means.

22 7. On or about June 16, 2016, NNG hired Defendant Giles Shrimpton to act
23 as its Chief Executive Officer. In connection with the employment, Shrimpton agreed
24 to, among other things, maintain all information and data related to NNG and the
25 activities of NNG which he learned through his employment as trade secrets of NNG,
26 including, but was not limited to, technology, products, business and financial
27 information, which are within the scope of the Confidential Information as defined above.
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1 Shrimpton further agreed that during and after his employment with NNG, he would not
2 disclose these secrets to any unauthorized third parties. Attached here as Exhibit A is
3 a true and correct copy of Shrimpton's Employment Contract. Due to its confidential
4 nature, NNG requests that this document is maintained under seal.

5 8. On Friday, April 5, 2019, NNG asked Shrimpton to tender his resignation.

6 9. On Sunday, April 7, 2019, without NNG's knowledge or consent,
7 Shrimpton spent approximately 3.5 hours forwarding emails and attachments from his
8 email account at NNG to his personal email account hosted by Apple's iCloud service.
9 During that time period, Shrimpton sent approximately 268 emails including
10 approximately 200 attachments, including slide decks and Excel spreadsheets, to his
11 iCloud email address. These emails and attachments contained a broad range of NNG's
12 Confidential Information, including, for example: (a) NNG's business information
13 regarding customers, vendors, business partners, including proposals, projects and
14 strategies; (b) NNG's business model for its user experience ("UX") products; (c) NNG's
15 long term business plans; (d) internal management presentations; (e) NNG's financial
16 information, including sales, budgets, costs and forecasts; (f) licensing strategies and
17 terms; (g) patent-related information; (h) employee information, including compensation;
18 (i) privileged information, including that involving potential litigation; (j) product-related
19 information concerning quality processes and customer claims; and (k) information
20 relating to the planned M&A of the company itself, including company valuation,
21 transaction proposals (third party business secrets).

22 10. On Monday and Tuesday, April 8 and 9, 2019, NNG and Shrimpton
23 completed the legal paperwork for his departure. His last day at NNG was April 9, 2019.

24 11. On April 11, 2019, NNG learned of Shrimpton's Sunday afternoon mass
25 emailing of NNG's Confidential Information, including documents, to Shrimpton's
26 personal iCloud email address. NNG immediately contacted legal counsel in the United
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28

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1 States to seek emergency relief to prevent Shrimpton from assessing, disclosing or
2 using the Confidential Information.

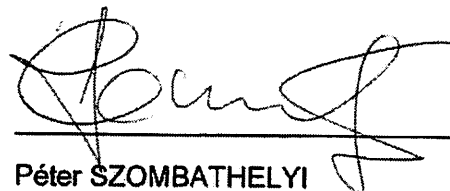
3 12. Disclosure or use of such Confidential Information is likely to cause NNG
4 to suffer irreparable injury. The information can be used by Shrimpton himself or
5 improperly disclosed to NNG's competitors enabling them to gain a competitive
6 advantage regarding NNG's strategies, pricing, customer projects, and the like. It can
7 easily be used by Mr. Shrimpton or NNG competitors to compete with NNG, to provide
8 pricing and strategic assistance, to enable them to undercut NNG's pricing and try to
9 jump ahead of NNG in the marketplace.

10 13. Attached hereto as Exhibit B is a true and correct copy of Shrimpton's
11 agreement with NNG in which he affirmed that he would maintain NNG's trade secrets
12 upon departure from his employment. Due to its confidential nature, NNG requests that
13 this document is maintained under seal.

14 14. Attached as Exhibit C is a summary of the date, subject and number of
15 attachments that Shrimpton sent to his iCloud account. Due to its confidential nature
16 and inclusion of a personal address, NNG requests that this document is maintained
17 under seal.

18 I declare (or certify, verify, or state) under penalty of perjury under the laws of the
19 United States of America that the foregoing is true and correct.

20 Executed April 12, 2019

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23 Péter SZOMBATHELYI